BUDGET ESTIMATES OF 1108.

6. I now come to the programme of revenue and expenditure for the coming year.

Before doing so, I shall endeavour to give a few salient features of the situation under which the budget estimates for the coming year have had to be framed by the Government. The economic depression through which the State is passing, along with the rest of the world, about which eloquent reference was made last year by my predecessor, still persists and it still affects our revenues from 'Forests', 'Stamps', 'Registration', 'Railway', etc. On the other hand, the expenditure on those and other departments serving the moral and material needs of the people could not be cut to any extent, what is at best possible being only to put off new schemes of development, for better times. The policy logically adopted by the Darbar in hastening the Railway Conversion and the Harbour Improvement schemes has reduced our net surplus and thereby the interest we were getting on our investments. In furtherance of the above schemes, a larger outlay is required which cannot be met from the liquid portion of the State surplus. The State has consequently to borrow funds and provision has to be made for payment of interest charges on loans and for the creation of a Sinking Fund for debt redemption.

7. **Economy Drive.**—Thus the increasing requirements of a growing administration, the gradual disappearance of the revenue under 'Interest' owing to the utilisation of the investments for the Harbour and Railway Schemes, the fall in receipts under 'Forest', 'Tramway', 'Stamps', 'Registration', 'Railway' and other heads owing to economic depression and the uncertain conditions of the market—these have forced the hands of the Government to adopt ruthless measures of economy by reduction of establishments wherever possible; to relieve the finances, Government have, consistent with their obligation to services and people, also endeavoured to reduce expenditure on service contingencies to a considerable extent everywhere with closing all loopholes for any possible tendency for luxury. Supplies required for maintaining departmental working are alone provided for, except in departments of development and others catering

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to the moral and material well-being of the people of the State. Even the pay and salary of officers have been subjected to a drastic cut of 5 per cent in the case of those on Rs. 40 and up to Rs. 80 and 10 per cent on Rs. 80 and above bringing a total saving of Rs. 91,500. Travelling allowance rates were already reduced in the course of the current year in respect of railway fare, mileage and daily allowance. All these rates are proposed to be still further reduced with effect from the beginning of the next year. The net result as calculated at present is, while the establishment charges and pay of superior officers of the State stood at Rs. 25·62 lakhs in 1107, they stand reduced to Rs. 24·71 lakhs for 1108; travelling and other allowances which were Rs. 1·76 lakhs in 1107 are reduced to Rs. 1·55 lakhs; and contingencies are reduced from 3·70 lakhs to Rs. 3·40 lakhs. The Government fully realise that the cut in salaries and travelling allowance may seriously affect service men, but they hope that the service would bear the sacrifice cheerfully and the Government would assure their officers that the cut in salaries will be restored as soon as conditions will permit. In spite of all these attempts at economy the Government find to their extreme regret that it has become necessary now to tap new sources of revenue if we are to make both ends meet. The Special Finance Committee appointed by this House rightly observed:—

"Of all such new sources, a tax on *non-agricultural* incomes appears to be the most equitable and feasible. * * * Land revenue is the only direct tax now levied in Cochin and it presses heavily if not excessively, on the agricultural class directly or indirectly, while the non-agricultural population, of whom Cochin has a larger proportion, make no direct contribution to the public exchequer. The man who holds a small plot of land and derives a few rupees from it has to pay a proportionate sum to the State, but the merchant or the money-lender, the Vakil or the Doctor, whose income is counted by thousands, escapes all such payment, which is both unfair and unreasonable. The fair and equitable distribution of the burden of taxation as well as financial necessity calls for the levy of tax on non-agricultural incomes".

Though this recommendation of the Committee couched in such convincing terms was made to the Darbar more than

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four years ago, the Government have so far refrained from putting it into operation; but the present situation has left them no alternative. I therefore feel certain that, in spite of the present exhausting depression, the House will come to the rescue of the Government and unanimously pass the Income-tax Bill which will come before them during this session.

8. From the foregoing, it will be abundantly clear that 'the State is entering on an era during which its finances will require careful tending'. and therefore, every endeavour has been made to regulate expenditure on sound principles. In the words of Sir A. R. Banerji, the veteran administrator, 'the most important consideration for the future will be to husband the resources of the State, which will be more than sufficient to provide for every-day-administration as well as for liquidating the debts, to guard against unregulated disbursements, to conform strictly to the budget programme of every year and proceed cautiously in regard to new schemes and enterprises which demand large capital outlay'. The resources of the State are accordingly being husbanded; expenditure is kept under very strict control; deviations from the budget programme are sternly discountenanced; new schemes and enterprises involving large outlay like the Hydro electric Scheme are not provided for while those like the separation of the Sanitary department from 'Medical' which involve only a small expenditure as compared with the large improvement in the health of the people, are viewed with sympathetic consideration.

It is on the above considerations that the budget estimate for the coming year has been framed and I shall now proceed to explain them in greater detail.

For the next year we are budgetting for a revenue of Rs. 83,62,900 and for an expenditure of Rs. 81,82,400 which would leave a surplus of Rs. 1,80,500.

RECEIPTS.

9. **Income-tax.**—On the receipt side, the first item that calls for consideration is the revenue of Rs. 2,00,000 estimated under *Income-tax*. Having already explained the circumstances which have forced the Government to adopt this measure I do

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not propose to go into that question again. 1108 will be the first year in which the tax will be collected and the provision of Rs. 2 lakhs, though based on the best material available, is necessarily tentative.

The more important among the heads which show substantial decline as compared with the revised estimates are 'Interest', 'Forests', 'Land Revenue' and 'Tramway'. The withdrawal of several of our investments in banks to meet the requirements of the Railway conversion and the Harbour schemes will substantially reduce our receipts under 'Interest' to Rs. 1,16,900 from the revised estimate of Rs. 3,23,200. 'Forest' and 'Tramway' anticipate similarly large falls to the extent of Rs. 1,89,500 and Rs. 34,100 respectively owing to reduced extraction of timber proposed for the coming year due to the uncertain conditions of the market with the consequent decrease in exploitation. Under 'Land Revenue' also the anticipation of 1108 falls short of the revised estimate of Rs. 12,88,400 by Rs. 70,300 mainly on account of the reduced receipts from the sale proceeds of lands under 'Capital'.

Against these decreases, there are a few heads showing enhanced revenue—'Profits from Capital outlay—Railway' with an increase of one lakh of rupees in the hope that the Railway would bring in the normal revenue; 'Abkari and Ganja' with 'Tobacco' showing an increase of Rs. 45,000 and Rs. 5,000 respectively over the revised estimates on the basis of the actual rentals secured in the recent auctions; 'Education' exhibiting an increase of Rs. 24,500 over the revised estimate of Rs. 3,18,700 chiefly owing to the increased receipts expected from Public Examinations on account of the increase in the number of candidates and the proposed September Examination for the failed S. S. L. Cs.; and lastly 'Stamps' anticipating an excess of Rs. 13,900 over the revised estimate of Rs. 6,19,000 on account of an expected increase in the sale of non-judicial stamp papers.

DISBURSEMENTS.

10. Let me now pass on to the programme of disbursements for the coming year which provides for an expendiure of Rs. 81,82,400 after salary cut which would be Rs. 1,82,800 less

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than the revised estimates for the current year. The memorandum accompanying the budget details the more important features of the allotments for various departments.

Land Revenue has only its proportionately reduced provision. Though under **Agriculture** the demand has been less, provision has been made for the new scheme of demonstration on ryots' lands. Realising as they do, that the **Panchayat** Department occupies a prominent place in the scheme of rural uplift, the Government feel extreme regret that owing to financial stringency it has not been possible to provide more funds for rural reconstruction works. The allotment is fixed at the reduced figure of Rs. 2,26,200 against the revised estimate of Rs. 2,95,300. Instructions are, however, being issued for utilising savings under tender deductions and on other accounts, for additional works, instead of allowing the savings to lapse.

As regards '**Co-operative**', repeated representations have been received from the Registrar of Co-operative Societies for the strengthening of his field and office staff to cope with the work of the department, and the consideration of these representations had had to be postponed from time to time. As the efficiency of supervision and the departmental control over the work of societies may suffer otherwise, provision has been made for an additional Inspector, a clerk, and a peon after reducing the expenditure in all possible directions.

Palace.—The budget estimate is fixed at Rs. 4,58,000 only as against the usual estimate of Rs. 5,00,000 in view of the fact that the necessity for the payment of allowance of Rs. 42,000 for His Highness the late lamented Ex-Maharaja has ceased. The present Palace scheme was fixed for 12 years with provision for its revision at the end of that period which synchronises with the end of the present year and it is now time to have the same revised. The revision of the scheme is only under consideration now and it is therefore too early to speculate on its financial implications. Some enhancement of grant may perhaps become inevitable and we shall have to face it in the course of the year.

Excise.—The only new item under the head for which a word of explanation may be necessary is the provision made

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under 'Preventive force' for two clerks on Rs. 25—40 for each of the two Circle Inspectors for attending to their office work.

Forests and Tramway.—Provision has been made in the budget estimate (Forests) only to meet the essential requirements of this department consistent with its possible working having regard to trade depression and hence, as compared with the revised estimate of Rs. 2,49,000, the allotment for the next year for 'Forests' shows a saving of Rs. 72,400. On account of the reduced revenues anticipated, stringent economies have been effected in the department pending more intensive revenue fetching operations to be undertaken when the market conditions improve. Extraction of timber is provided for on a considerably reduced scale; elephant catching operations are to be suspended for the next year as the Government have reasons to apprehend that elephant catching operations will not be a commercial proposition at present; only the minimum requirements are provided for under 'Communications' and 'Buildings'; all possible reduction of establishment has been effected by the abolition of the posts of two foresters, five forest guards, etc.; the establishment for conservancy and works has also been reduced by abolishing a few tanahs.

The drastic retrenchment effected under 'Forests' is inevitably reflected in the provision under 'Tramway' whose existence is dependent to a large extent in the work given by the former. By a rigorous reduction of establishment and decreased provision in maintenance expenditure, coupled with the absence of any provision under 'Capital', it has been possible to reduce the budget estimate by Rs. 53,600 as compared with the revised estimate of Rs. 1,35,200.

Registration too would feel, in the course of the year, the blows of the retrenchment axe. Government propose the suspension of four offices from 1st Kanni 1108.

General Administration and Law & Justice.—These also exhibit considerable reduction as compared with the revised estimates of the current year. The reduced provision under contingencies, the cut in the salary of the Diwan, the reduced pay of the Sarvadhikariakar and the absence of any large provision

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under 'Census' in view of the winding up of the Census department in Chingam 1108, have effected a reduction of Rs. 11,800 under 'General Administration' while the absence of any provision for the temporary establishment of the Puisne Judges, the second additional District Court and the Special Magistrate, the suspension of the additional Munsiff's Court at Trichur, the reduction in the provisions for leave allowances and contingencies have enabled a cut of Rs. 34,500 being made under 'Law and Justice', as compared with the revised estimate of Rs. 3,10,200.

Jails.—The only new feature of the Jails' budget for the coming year is a provision under 'Temporary Establishment' for a female warder to attend on the women prisoners and that for the maintenance and education of juvenile offenders. The Government of Madras have agreed to make arrangements for the admission of juvenile offenders of the State into the certified schools at Chingelpet and Ranipet and they state that on the basis of the figures for 1930 the average cost of the maintenance of a pupil will be Rs. 225 a year which they propose to recover from the Darbar if the Government choose to send such offenders to those schools. We have accepted the arrangement in the hope that this will be beneficial to our juvenile offenders.

Education.—Last year (1106) the actual expenditure was Rs. 14,03,360, while the revised estimates have come to Rs. 15,65,400 and for the next year the allotment is fixed at Rs. 15,78,000. The 'Education Survey' to which reference was made last year has not yet been completed and it remains to be seen whether, as a result of the survey, we shall be able to effect any economies without, at the same time, impeding the expansion of education.

Medical.—Notwithstanding the economy drive, the Medical Department, undertaking as it does, a primary obligation of the Government towards their ailing people, receives a larger provision of Rs. 4,37,100 as against the revised estimates of Rs. 4,15,700. This large increase is mainly due to the enhanced provision made for the purchase of medicines, the proposed entertainment of a laboratory staff, a midwife, a full-time mechanic, additional staff of servants, etc., besides the liberal provision

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made for the Central Ayurvedic Hospital for which the Council has more than once pressed, the antimalarial operations, the Hook-worm campaign, etc.

Sanitation, Conservancy and Vaccination.—The Government propose to constitute a separate Health Department in the coming year and provision has accordingly been made for the separation of that department from 'Medical' and the consequential appointment of a Chief Sanitary Officer with an additional staff of 8 Sanitary Inspectors for field work and the necessary office staff, the details of which you will find in the statements in your hands. It is fervently hoped that with the appointment of a full-time Sanitary Officer and an adequate staff to assist him—the department will organise such an intensive campaign throughout the State as will make the existence of epidemics a thing of the past, and such vigorous propaganda as will wake up our people from their age-long stupor and enable them to enjoy the benefits of the latest advances in the science of sanitation and health and to live clean and healthy lives. The existence of this separate department will facilitate the extension of the benefits of compulsory vaccination in rural areas which were most affected this year by the dire epidemic of small-pox.

Pension and Gratuity anticipate an increase in expenditure of Rs. 40,100, as compared with the revised estimate of Rs. 2,75,600, and this is due partly to the raising of the minimum pension to Rs. 5 and partly to the special provision made for payment of gratuity to the widows and children of officers who have died in service and who may hereafter have the misfortune to die before earning their pension. The details of the scheme have been worked out, and will soon be published. The rules limit the application of the scheme for the present to officers drawing salaries below Rs. 400 and make the gratuity subject to a maximum of Rs. 1,000 payable on behalf of a deceased Government servant at the rate of three-fourths of a month's pay each for completed year of qualifying service. The above rules also provide for the payment to such officers as happen to die within 6 months of their retirement of sums representing the difference between the gratuity calculated as above and the amount of pension drawn. We hope that the scheme, though it may not

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be so liberal as in the sister States, will go a long way to mitigate the miseries of the destitute families of our officers who die in service. It is to be hoped that the sympathy of my non-official friends will go towards these helpless people as evidenced by a resolution tabled for this session and that the Government's efforts in this direction, restricted in scope as the scheme is for the time being owing to the present financial condition, will be duly appreciated.

Public Works.—Passing on to the budget estimate of a department which is great in its potentialities in the direction of improved facilities for communication in rural areas, for irrigation and water supply and for buildings of a public nature, it will be apparent that every endeavour has been made, in spite of financial stringency, to provide as much allotment as possible; new roads are budgetted for wherever necessary; irrigation schemes are being worked by a new divisional Engineer appointed for the purpose and we are having the benefit of advice from experts in Engineering and Town planning; extension of the Maharaja's College, the construction of the Mattancheri Hospital, Vala quarters at Pachalam and several other building works are provided for next year. The investigation into the Hydro-electric scheme is over and the Chellanam water supply scheme is to be taken in hand in the coming year. The total allotment fixed under 'Public Works'—Civil and Mechanical comes to Rs. 15,68,400 an amount in no way small as compared with our resources.

Uplift of the Depressed Classes continues to occupy a front place in our social programme and we have provided Rs. 98,900 which would amply suffice for the normal requirements of a new department. It is proposed to entertain a Labour Inspector on Rs. 40—60 with a peon to assist the Protector in his out-door work while the office of the Protector is proposed to be strengthened by the addition of two clerks on Rs. 25—40. It may be added that the department was started in 1103 at a cost of Rs. 6,884 for that year.

State Conveyances too have not escaped the hand of retrenchment. The posts of three temporary drivers are proposed to be abolished and the large provision made from year to

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year under 'Miscellaneous' has been reduced considerably to Rs. 25,900 which includes, however a provision of Rs. 10,000 for the purchase of new cars.

Miscellaneous.—Only the usual provision is made under the head, the budget estimate for 1108 being only Rs. 54,900 as against the revised estimate of Rs 1,27,800 which was due to abnormal causes as explained in the memorandum accompanying the budget.

11. **Harbour and Railway.**—We have spent up-to-date a sum of Rs. 29·32 lakhs on Harbour of which Rs. 25·39 lakhs represents the cost of reclamation of 227·5 acres at the rate of Rs. 12,000 per acre and the balance of Rs. 3·93 lakhs on the State's share of the experimental works in cutting the bar channel, etc. According to the agreement we shall have to pay in the course of the next year the cost of reclamation of the balance area of 22·5 acres to make up the extent needed for Harbour requirements as well as the difference in cost at the rate of Rs. 3,000 per acre on the total extent of 250 acres. The amount so required to the extent of Rs. 10·21 lakhs has been provided for under 'Capital—Harbour—Reclamation'. There is also the obligation on the part of the State to find part of the funds required for the 4th stage of the Harbour works. This stage of the works is expected to be complete in the course of three years from 1108 and at a cost of about Rs. 90 lakhs. Provision of Rs. 10 lakhs has tentatively been made for Harbour improvements under the head 'Capital'.

As regards Railway, according to the revised estimate, the cost of the Railway Conversion Scheme is estimated at just under Rs. 80 lakhs and the work is proposed to be completed in 2½ years in all, *i. e.*, in the course of 1109. The estimate, I may state, takes into account not only the immediate requirements of a broad-gauge line but also for such improvements as will facilitate future electrification of the line. The work is fast progressing and we shall have spent at the end of the current year a sum of Rs. 22 lakhs over the conversion. According to the programme of work of the South Indian Railway Company who do the work as our Agents, we may have to pay Rs. 30 lakhs in

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the coming year on this scheme; the whole of the balance as per the estimate, *viz.*, Rs. 28 lakhs being required to be paid in 1109. I take this opportunity to state that the detailed estimates of the work are forwarded to us for our approval before execution. The estimates and expenditure are also subject to check by the Government Examiner of Railway Accounts, Madras, in the usual course.

12. **Other Schemes.**—The other schemes involving Capital outlay at our hands are the *Hydro-electric* operations at Poringalkuttu and *Irrigation*. The experts, who investigated the Hydro-electric possibilities, have submitted their report and they estimate the work at Rs. 68 lakhs. As the resources of the State are required to meet the expenditure on Harbour and Railway works, it will not be possible to undertake the Hydro-electric scheme at present. Meanwhile the Government have under consideration other means of supplying the State with electric power until such time as it may be possible for the Darbar to carry out its own Hydro-electric scheme. Regarding *Irrigation*, some of the schemes so far conceived are now being investigated by a Special Officer appointed for the purpose and any definite line of action will be possible of adoption only after the enquiry is complete. It is hoped that by the time the investigation is completed, the Government will be in a position to decide the question of taking up the more essential and useful among them in right earnest.

13. **Loan.**—Our anticipated outlay on Railway and Harbour alone in the next year is estimated at Rs. 50,20,600. Out of the net surplus of Rs. 111·67 lakhs at the end of 1107 as per the revised estimates adverted to elsewhere the portion which forms the non-liquid balance (being investments on Railway and Harbour, in Joint Stock Companies and Departmental advances) is Rs. 70·67 lakhs. An amount of Rs. 15 lakhs will always have to be set apart towards ways and means and treasury transactions. What may therefore be called the available liquid balance is thus only Rs. 26 lakhs, including foreign Government securities held by the State to the extent of Rs. 8 lakhs. The anticipated investments on Railway and Harbour in the next year coming as it does to Rs. 50·21 lakhs and the liquid surplus

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available being only Rs. 26 lakhs, other means will have to be found for the balance of capital outlay required for 1108, *viz.*, to the extent of Rs. 24·21 lakhs. Besides, the completion of Railway in the subsequent years will require another Rs. 28 lakhs and there will also be the State contribution to the fourth stage of the Harbour Scheme. To meet the expenditure which is to be incurred entirely for productive works, the Government propose to float a loan in the open market in the course of the next financial year. The terms of the loan and other details are under the consideration of the Government and will be published in due course.

But in the meantime, ways and means have to be found for the capital required in the next year for Railway and Harbour works to the extent ot Rs. 24·21 lakhs. It is proposed to borrow Rs. 25 lakhs from the accumulated surpluses of the Palace Funds, Devaswam, Valiamma Thampuran Kovilakam and other Funds lying invested in Bank deposits and other convertible securities. This has been provided for under 'State Loans'. This loan will be temporary and will be merged in the State Loan when it is floated. This will involve payment of interest to the funds concerned on the amounts so utilised and provision has been made for such interest charges for one year to the extent of Rs. 1,37,500 at the rate of 5½ per cent.

14. **Sinking Fund.**—A sinking fund will also be inaugurated for the service of the loan. One and a half per cent of the total sum borrowed will be credited to the sinking fund each year. For 1108, Rs. 37,500 have accordingly been provided for this purpose.

15. **Financial position.**—The operations of the year (1108) are thus estimated to result in a surplus of Rs. 1,80,500. This, added to the accumulated surplus of Rs. 1,11,82,677 expected at the end of 1107, will bring our net surplus to Rs. 1,13,63,177. The financial position of the State, will then be as follows:—

1. Outlay on Capital Works.		
Harbour	Rs.	49·52 lakhs
Railway	,,	52·00 ,,
Total	,,	101·52 ,,

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2.	Departmental Advances	Rs. 10·61 lakhs.
3.	Investment and loans to Joint Stock Companies and others being non-liquid surpluses	,, 7·28 ,,
4.	Investment in foreign Government Securities	,, 8·10 ,,
5.	Cash balance in the State and Banks	,, 34·96 ,,
	Total	,, 162·47 ,,
	Deduct loan and deposits, etc., repayable	Rs. 48·84 lakhs.
	Balance	Rs. 113·63 lakhs.

With these resources at our disposal, I feel confident that we are on safe ground and quite able to meet all our needs and obligations, that our financial position is safe and sound and that we have no room for pessimism.

CRANGANUR.

Sir,

16. I have done with the State Budget and before I close, I would offer a few remarks about the Cranganur Budget also.

The transactions of 1106 resulted in a deficit of Rs. 51,390 mainly due to the heavy programme of works of public utility undertaken during the year—the receipts and disbursements of the year having been Rs. 1,91,592 and Rs. 2,42,982 respectively.

The budget estimate for the current year provided for a revenue of Rs. 2,00,240 and an expenditure of Rs. 2,34,500 resulting in a deficit of Rs. 34,310. According to the revised figures, the revenue is expected to come to Rs. 1,99,010 only, in spite of the increase under 'Salt', owing mainly to the fall under 'Abkari and Ganja' and 'Interest'—the former due to economic depression and the latter due to withdrawal of 'Investments' as a result of budget deficits. The expenditure, on the other hand,

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is expected to amount to Rs. 2,61,720, *i.e.*, Rs. 27,170 in excess of the budget estimate—the main head showing the increase in expenditure being 'Public Works' under which the revised estimate is fixed at Rs. 67,850 as against the budget estimate of Rs. 41,670. The transactions of the year are thus expected to result in a deficit of Rs. 62,710.

For 1108 we anticipate a revenue of Rs. 1,94,430 and programme for an expenditure of Rs. 2,24,410 after taking into account the savings on account of salary cut. Nevertheless a deficit of Rs. 29,980 still faces Cranganur.

Government are convinced that such recurrence of deficits cannot be allowed to continue. The small surplus to the credit of the Principality is slowly being depleted and ways and measures for balancing the Cranganur Budget in future years will be taken in hand as early as possible.

17. **To sum up**—"Retrenchment and Progress" may be said to be the key-note of the budget which I have placed before the House. We have aimed at retrenchment without retarding progress; economies without affecting the well-being of the people; retrenchment and economies in non-essentials where they are feasible, the savings being utilised for the furtherance of the economic and social progress of the people. While retrenchments have been rather drastically effected in the salaries, allowances and contingencies of departments, in respect of services rendered to the people, every effort has been made to provide more funds wherever necessary. A larger provision has been made under 'Education'; increased allotment has been provided for 'Medical' for purchase of medicines, for an Ayurvedic Hospital, prevention of epidemics, antimalarial and hook-worm campaigns, etc.; a Health department has been newly organised for the betterment of the condition of the people; more roads and bridges are proposed for the next year; the development of irrigation projects is receiving close attention; the uplift of the depressed classes gets the same attention and the two important schemes on which the economic progress of the State in future may be said to depend—I mean the Harbour and the Railway conversion—are being carried through as expeditiously as possible.

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It is here my pleasant duty to express, both on behalf of the Government and on my own behalf, grateful acknowledgment of the zealous manner in which the duties entrusted by the Council were discharged by the Members of the Standing Finance Committee, of the valuable suggestions offered by them in the course of the sitting and the candid criticisms they made, when they found such criticism necessary. Some of the suggestions have already been carried out in the budget and others are receiving close consideration at the hands of the departments concerned which could further be discussed and decided on the floor of this House.

CONCLUSION.

18. Sir, I do not know how much I have taxed the patience of the House by this long narration of facts and figures. All that I can say is, that I have attempted to present the budget in as lucid a manner as possible and that my services are at the disposal of any Member who may require any further elucidation or more detailed information.

19. With the presentation of the Budget, my duty for the day, is done. Nevertheless, I feel impelled, Sir, with your leave and with the indulgence of this House, to make a few personal observations. From the comparatively featureless 'prosperity' budgets of the last few years, the pendulum has swung rather violently to the other extreme and you are confronted with a budget with at least three striking features which cannot fail to rivet the attention of the House—I mean, Salary cuts, Income-tax and Harbour-*cum*-Railway Loan. Any one of these is sufficient by itself to alienate good will and sympathy; the cumulative effect of all the three is, therefore, likely to produce a revulsion of feeling and sure to cause embarrassment to any one whose name happens to be associated with them. Salary cuts might create sullen discontent, income-tax may give rise to angry protests and loan proposals may cause anxious misgivings. But a moment's reflection, I feel sure, will dissolve all doubts, dispel all fears and disarm all opposition. To such of my fellow servicemen as may feel inclined, at the first impulse, to make a grievance of salary cuts I would make an appeal and tell them that

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